

KANSAS MEDICAID STATE PLAN

Attachment 4.19 D

Part I

Subpart H

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Method and Standards for Establishing Payment Rates: Nursing Facilities

Kansas Intergovernmental Transfer Program

Provisions for Governmental Facilities - Government Owned and Operated Nursing Facility Proportionate Share Pool: A proportionate share pool is created to increase reimbursement to Medicaid-certified, government owned and operated nursing facilities. "Owned" refers to the common meaning of ownership of the physical structure(s). "Operated" refers to the government's direct and active involvement in a facility's day-to-day operations, as indicated in the provider agreement. "Government" means a unit of local government, such as a city, a county, a city hospital, a county hospital, a hospital district, or a health care facilities and services hospital district. The pool is created subject to availability of funds and subject to the payment limits of 42 CFR 447.272 (payments may not exceed the amount that can reasonably be estimated to be paid under Medicare payment principles).

The proportionate share pool is calculated by comparison of the Kansas Medicaid rates in all Medicaid-certified nursing facilities to the equivalent Medicare rates, whether or not each facility is Medicare certified. The equivalent Medicare rate is adjusted by the wage index published in the Federal Register. When the Case Mix Index utilized for computing the Medicaid rate does not have an equivalent Medicare classification, the Medicaid case mix index (see Attachment 4.19D, Part I, Subpart C, Exhibit C-2, Page 8 Case Mix Index Table) will be adjusted down to the next closest Medicare RUGs classification. The methodology shall adjust for pharmacy, laboratory, radiology, retroactive payment adjustments, and any other factors necessary to equate Medicaid to Medicare payment methodologies. The differences between the facility-specific Medicare rates and Medicaid rates are summed to determine the amount of the pool.

The Department shall submit to HCFA quarterly reports that demonstrate the calculation of the proportionate share pool, and that calculations have not resulted in payments in excess of the amount which could reasonably be paid under Medicare payment principles.

The pool is calculated for each reporting period and distributed on or about 45 days after the end of the period. For example, a distribution would be made on or around May 15th for the quarter ending March 31. Each government owned and operated facility's distribution amount is based on its estimated proportionate share of the pool (based on its share of Medicaid resident days).

JUL 23 2004
TN# MS 03-12 Approval Date _____ Effective Date _____ Supersedes TN# MS-00-01

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Method and Standards for Establishing Payment Rates:
Nursing Facilities

Kansas Intergovernmental Transfer Program

The Kansas Intergovernmental Transfer Program, Attachment 4.19D, Part I, Subpart H of the Kansas Medicaid State Plan, will sunset with Medicaid service days ended June 30, 2005. The distribution of the final transfer is scheduled to be made during the quarter ended September 30, 2005.

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Exhibit C-3

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COMPILATION OF COST CENTER LIMITATIONS EFFECTIVE 07/01/03

	BEFORE INFLATION					***AFTER INFLATION***				
	OPER	IDHC	DHC	RPPF	TOTAL	OPER	IDHC	DHC	RPPF	TOTAL
MEDIAN	17.73	27.84	49.41	5.66	101.17	18.47	29.00	51.48	5.82	105.38
MEAN	18.04	28.94	50.79	5.35	103.12	18.80	30.20	53.06	5.50	107.56
WTMN	18.17	28.73	51.58	5.72	104.20	18.93	29.98	53.85	5.89	108.65
# OF PROV	352					352				

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COMPILATION OF ADMINISTRATOR, CO-ADMIN OWNER EXPENSE - O/A LIMIT
EFFECTIVE 07/01/03

	ADMINISTRATOR		CO-ADMINISTRATOR		TOTAL ADMN & CO-ADMN		OWNER	
	TOTAL	PRD	TOTAL	PRD	TOTAL	PRD	TOTAL	PRD
HIGH	119,717	5.75	74,241	3.45	138,406	5.75	249,613	11.01
99th	95,214	4.98	74,241	3.45	112,026	5.31	249,613	11.01
95th	80,607	3.74	53,437	2.32	89,758	4.09	133,021	4.65
90th	69,721	3.46	51,251	2.26	71,763	3.55	88,739	4.12
85th	64,078	3.20	49,862	2.25	66,214	3.24	83,341	3.78
80th	61,489	3.00	46,331	2.17	63,367	3.07	71,165	3.45
75th	58,789	2.85	46,075	1.82	60,577	2.95	62,138	2.60
70th	56,197	2.70	44,944	1.76	57,266	2.78	53,738	2.16
65th	53,553	2.58	43,834	1.47	54,950	2.68	45,632	1.64
60th	51,346	2.44	42,287	1.35	52,281	2.51	31,234	1.45
55th	49,508	2.33	40,542	1.29	50,592	2.41	26,285	1.36
50th	48,268	2.23	40,294	1.29	48,600	2.28	19,500	1.08
40th	44,827	2.03	37,175	1.07	45,788	2.07	13,440	0.65
30th	40,786	1.85	25,102	1.01	40,993	1.89	8,280	0.42
20th	34,585	1.62	20,517	0.82	35,480	1.64	5,796	0.35
10th	23,165	1.34	9,900	0.67	23,912	1.38	2,042	0.16
1st	8,751	0.62	1,907	0.05	8,751	0.62	-1	0.00
LOW	5,010	0.37	1,907	0.05	5,010	0.37	-1	0.00
MEAN	48,195	2.33	35,159	1.39	50,141	2.40	40,039	1.69
WTMN	53,278	2.15	38,062	1.25	55,813	2.23	46,851	1.64
# of Prov	328		21		330		91	

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COMPILATION OF LINE ITEM INPUTS TO INCENTIVE FACTOR EFF. 07/01/03

	INCENTIVE AMOUNT
HIGH	56.38
99th	35.57
95th	27.15
90th	24.23
85th	23.08
80th	21.73
75th	20.79
70th	19.82
65th	19.06
60th	18.37
55th	17.73
50th	17.31
40th	16.31
30th	14.97
20th	13.10
10th	11.33
1st	7.29
LOW	6.53
MEAN	17.81
WTMN	17.83
# of Prov	352

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Exhibit C-2

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OWNER/ADMINISTRATOR LIMITATION TABLE EFFECTIVE 07/01/03

Number of Beds	Total Bed Days	Maximum Owner/Admin Compensation	Limit PPD	F/Y	Amount	Cost of Living State Emp.
15	5,475	\$19,683	\$3.60	76	10,000	---
16	5,840	20,971	3.59	77	10280	2.800%
17	6,205	22,259	3.59	78	10537	2.500%
18	6,570	23,547	3.58	79	11301	7.250%
19	6,935	24,835	3.58	80	11781	4.250%
20	7,300	26,123	3.58	81	12617	7.100%
21	7,665	27,411	3.58	82	13248	5.000%
22	8,030	28,700	3.57	83	14109	6.500%
23	8,395	29,988	3.57	84	14426	2.250%
24	8,760	31,276	3.57	85	15147	5.000%
25	9,125	32,564	3.57	86	15933	5.190%
26	9,490	33,852	3.57	87	16411	3.000%
27	9,855	35,140	3.57	88	16575	1.000%
28	10,220	36,428	3.56	89	17238	4.000%
29	10,585	37,717	3.56	90	17755	3.000%
30	10,950	39,005	3.56	91	18021	1.500%
31	11,315	40,293	3.56	92	18021	0.000%
32	11,680	41,581	3.56	93	18111	0.500%
33	12,045	42,869	3.56	94	18202	0.500%
34	12,410	44,157	3.56	95	18407	1.125%
35	12,775	45,445	3.56	96	18591	1.000%
36	13,140	46,734	3.56	97	18591	0.000%
37	13,505	48,022	3.56	98	18777	1.000%
38	13,870	49,310	3.56	99	19059	1.500%
39	14,235	50,598	3.55	00	19250	1.000%
40	14,600	51,886	3.55	01	19250	0.000%
41	14,965	53,174	3.55	02	19683	2.250%
42	15,330	54,462	3.55	03	19683	0.000%
43	15,695	55,751	3.55			
44	16,060	57,039	3.55			
45	16,425	58,327	3.55			
46	16,790	59,615	3.55			
47	17,155	60,903	3.55			
48	17,520	62,191	3.55			
49	17,885	63,479	3.55			
50	18,250	64,768	3.55			

90th Percentile PPD
Administrator & Co-
Administrator Salary.

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CASE MIX INDEX TABLE EFFECTIVE 07/01/03

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RUG-III GROUP	CODE	CMI
EXTENSIVE SERVICES		
Extensive Special Care 3 / ADL>6	SE3	2.10
Extensive Special Care 2 / ADL>6	SE2	1.79
Extensive Special Care 1 / ADL>6	SE1	1.54
SPECIAL REHABILITATION		
Rehab all levels / ADL 17-18	RAD	1.66
Rehab all levels / ADL 14-16	RAC	1.31
Rehab all levels / ADL 10-13	RAB	1.24
Rehab all levels / ADL 4-9	RAA	1.07
SPECIAL CARE		
Special Care / ADL 17-18	SSC	1.44
Special Care / ADL 15-16	SSB	1.33
Special Care / ADL 4-14	SSA	1.28
CLINICALLY COMPLEX		
Clinically Complex w/ Depression / ADL 17-18	CC2	1.42
Clinically Complex / ADL 17-18	CC1	1.25
Clinically Complex w/ Depression / ADL 12-16	CB2	1.15
Clinically Complex / ADL 12-16	CB1	1.07
Clinically Complex w/ Depression / ADL 4-11	CA2	1.06
Clinically Complex / ADL 4-11	CA1	0.95

RUG-III GROUP	CODE	CMI
IMPAIRED COGNITION		
Cognitive Impairment w/ Nursing Rehab / ADL 6-10	IB2	0.88
Cognitive Impairment / ADL 6-10	IB1	0.85
Cognitive Impairment w/ Nursing Rehab / ADL 4-15	IA2	0.72
Cognitive Impairment / ADL 4-5	IA1	0.67
BEHAVIOR PROBLEMS		
Behavior Problem w/ Nursing Rehab / ADL 6-10	BB2	0.86
Behavior Problem / ADL 6-10	BB1	0.82
Behavior Problem w/ Nursing Rehab / ADL 4-5	BA2	0.71
Behavior Problem / ADL 4-5	BA1	0.60
REDUCED PHYSICAL FUNCTIONS		
Physical Function w/ Nursing Rehab / ADL 16-18	PE2	1.00
Reduced Physical Function / ADL 16-18	PE1	0.97
Physical Function w/ Nursing Rehab / ADL 11-15	PD2	0.91
Reduced Physical Function / ADL 11-15	PD1	0.89
Physical Function w/ Nursing Rehab / ADL 9-10	PC2	0.83
Reduced Physical Function ADL 9-10	PC1	0.81
Physical Function w/ Nursing Rehab / ADL 6-8	PB2	0.65
Reduced Physical Function ADL 6-8	PB1	0.63
Physical Function w/ Nursing Rehab / ADL 4-5	PA2	0.62
Reduced Physical Function / ADL 4-5	PA1	0.59